

Item # \_\_\_\_\_

Prepared by: Gloria Kelly  
Real Estate Services

Commissioner \_\_\_\_\_

Approved by: Lisa Kelly  
County Attorney

RESOLUTION APPROVING THE SALE OF 10.7 ACRES, MORE OR LESS, OF IMPROVED REAL PROPERTY, KNOWN AS THE SHELBY TRAINING CENTER, LOCATED AT 3420 OLD GETWELL ROAD TO CORRECTIONS CORPORATION OF AMERICA FOR \$150,000.00.

SPONSORED BY: COMMISSIONER WYATT BUNKER

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**WHEREAS**, Shelby County owns 10.7 acres, more or less, of improved real property, known as the Shelby Training Center, located at 3420 Old Getwell Road and further identified as Tax Parcel Nos. 0730090 00001 and 0730090 00002, said improved real property being more particularly described in the Quit Claim Deed, which is attached hereto as Exhibit "A", and incorporated herein by reference; and

**WHEREAS**, Shelby County leased said 10.7 acres, more or less, of real property, for nominal consideration, to Corrections Corporation of America (CCA) for a 30 year term, beginning on April 15, 1985 for CCA's construction and management of a 6.5 million dollar Juvenile Detention Facility, known as the Shelby Training Center, to provide local residential services for post adjudicatory care and treatment of delinquent juveniles under the custody of the State of Tennessee, pursuant to the provisions of a Lease Agreement and a Management Contract between The County of Shelby, Tennessee for the Juvenile Court of Memphis and Corrections Corporation of America attached hereto, collectively, as Exhibit "B", approved by the Board of County Commissioners of Shelby County, Tennessee, by resolutions adopted on February 25, 1985 as Item #14 and on April 1, 1985 as Item #7 attached collectively, as Exhibit "C"; and

**WHEREAS**, The State of Tennessee provided the funding to operate the Shelby Training Center with the intent of having a community-based facility for a majority of Shelby County juveniles, who would otherwise be committed to the supervision and care of the State Department of Corrections in a facility located outside of Shelby County, Tennessee; and

**WHEREAS**, The State of Tennessee ended its funding for the Management Contract effective July 31, 2008; and

**WHEREAS**, Section C., Number 10. of the Management Contract between The County of Shelby, Tennessee for the Juvenile Court of Memphis and Corrections Corporation of America (Management Contract) states that this Contract is subject to the annual appropriation of funds by Shelby County Government and the State of Tennessee, and that in the event funds are not appropriated for the Management Contract, the contract will be deemed terminated; and

**WHEREAS**, Section 21 of the Lease Agreement between The County of Shelby, Tennessee for the Juvenile Court of Memphis and Corrections Corporation of America (Lease Agreement) provides that the “Lease is coterminous with the Management Contract and the state funding contract”; and

**WHEREAS**, Section 12 of said Lease Agreement provides:

“Should this Agreement or the Management Contract be terminated for any reason within thirty (30) years of its execution, the Lessee shall take full and complete possession of all improvements and facilities herein added to the property. Provided, however, the Lessee will be obligated to purchase the aforementioned 10.7 acres under the following terms and provisions;

1. If the lease is terminated by the County without cause, then the Lessee may purchase the property for One Hundred Fifty Thousand Dollars (\$150,000.00).
2. If the State fails to fund the contract, then the Lessee may purchase the property for One Hundred Fifty Thousand Dollars (\$150,000.00).
3. If the Lessee breaches the contract, then the Lessee may purchase the property for its fair market value, as agreed to by the Lessor and the Lessee. Lessor shall convey said property in fee simple to Lessee.
4. If the lease is terminated by the Lessee, without cause, the Lessee shall purchase the property for its fair market value, as agreed to by the Lessee and the Lessor.
5. Should the Lessor breach the contract, then the Lessee may purchase the property for One Hundred Fifty Thousand Dollars (\$150,000.00).” ; and

**WHEREAS**, In response to the State’s decision to end its funding of the Management Contract, Corrections Corporation of America served written notice to Shelby County, via letter dated July 9, 2008, attached hereto as Exhibit “D”, of its intent to exercise its option to purchase said 10.7 acres of improved real property from Shelby County for the amount of \$150,000.00, as provided for in Section 12, Subsection 2 of said Lease Agreement; and

**WHEREAS**, All the Juveniles in the custody of the State of Tennessee, that resided at the Shelby Training Center have now been released, having completed their required periods of confinement, or been released from the residency program.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE**, That the sale of the aforementioned 10.7 acres, more or less, of improved real property to Corrections Corporation of America for \$150,000.00, be and the same is hereby approved.

**BE IT FURTHER RESOLVED**, That the Mayor be and he is authorized to execute the attached Quit Claim Deed, conveying the same, along with any other documents necessary for the closing of the sale described herein.

**BE IT FURTHER RESOLVED**, that the proceeds from this sale totaling \$150,000.00 shall be credited to the County's General fund, Gain on the Sale of Fixed Assets, Account No. 010-307501-4254.

\_\_\_\_\_  
A C Wharton, Jr. County Mayor

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk of County Commission

ADOPTED \_\_\_\_\_

## SUMMARY SHEET

### **I. Description of Item**

RESOLUTION APPROVING THE SALE OF 10.7 ACRES, MORE OR LESS, OF IMPROVED REAL PROPERTY, KNOWN AS THE SHELBY TRAINING CENTER, LOCATED AT 3420 OLD GETWELL ROAD TO CORRECTIONS CORPORATION OF AMERICA FOR \$150,000.00.

### **II. Source and Amount of Funding**

N/A

### **III. Contract Items**

Quit Claim Deed

### **IV. Additional Information Relevant to Approval of this Item**

A Resolution approving the sale of 10.7 acres, more or less, of improved County owned real property, known as the Shelby Training Center, located at 3420 Old Getwell Road, to Corrections Corporation of America (CCA) for \$ 150,000.00 in accordance with CCA's option to purchase provided for under its 30 year Lease Agreement and Management Contract approved by the Board of County Commissioners of Shelby County, Tennessee, by resolutions adopted on February 25, 1985 and April 1, 1985. This 10.7 acres of real property was leased for nominal consideration to Corrections Corporation of America for its construction and management of a 6.5 million dollar Juvenile Detention Facility, known as the Shelby Training Center, to provide local residential services for post adjudicatory care and treatment of delinquent juveniles under the custody of the State of Tennessee. Pursuant to Section 12 of the Lease Agreement Corrections Corporation of America was given an option to purchase said 10.7 acres of real property from Shelby County for \$ 150,000.00 if the State fails to fund the Management Contract prior to the expiration of said 30 year lease. The State of Tennessee ended its funding for this Management Contract effective July 31, 2008 resulting in the corresponding termination of said lease, which has now prompted Corrections Corporation of America's written notice of its intentions to exercise its option to purchase this 10.7 acres of real property from Shelby County for \$ 150,000.00. All the Juveniles in the custody of the State of Tennessee, that resided at the Shelby Training Center have now been released, having completed their required periods of confinement, or been released from the residency program. Base upon the above, it is hereby recommended by the Administration that this real property sale be approved.

**County Owned Parcels**  
**Tax Parcel Nos. 073009 00001 & 073009 00002**  
Location: 3420 Old Getwell Rd.  
Total Size: 10.7 Acres, +/-



## **QUIT CLAIM DEED**

**KNOW ALL MEN BY THESE PRESENTS**, that the COUNTY OF SHELBY, a political subdivision of the State of Tennessee, (hereafter referred to as "Grantor"), for and in consideration of ONE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS, (\$150,000.00) does hereby bargain, sell, remise, quit claim and convey unto CORRECTIONS CORPORATION OF AMERICA (hereinafter referred to as "Grantee"), all the Grantor's right, title and interest in and to the following described real estate located in the City of Memphis, County of Shelby, State of Tennessee, to-wit:

**BEGINNING at a point at the south line of the Burlington Northern Railroad 100 foot ROW and the eastwardly line of Old Getwell Road; Thence south 38 degrees 51 minutes 44 seconds west 155.08 feet to a point; thence along the arc of a curve to the left with a delta angle of 132 degrees 50 minutes 37 seconds, a radius of 50.00 feet, a chord of 91.65 feet, a tangent of 114.56 feet, an arc distance of 115.93 feet to a point; thence south 38 degrees 51 minutes 44 seconds west 202.86 feet to a point; thence south 16 degrees 52 minutes 50 seconds west 371.61 feet to a point; thence south 2 degrees 38 minutes 49 seconds east 112.27 feet to a point; thence north 86 degrees 32 minutes 19 seconds east 802.01 feet to a point; thence north 5 degrees 44 minutes 34 seconds east 389.55 feet to a point; thence north 49 degrees 58 minutes 53 seconds west 599.58 feet to the point of BEGINNING.**

**Containing 10.7 acres, more or less.**

**Being the same property conveyed to the County of Shelby, a political subdivision of the State of Tennessee, by Deed of Record as described in the Register's Office of Shelby County, Tennessee, in the Register's Official Record Book under Instrument Number X4 5126.**

**Tax Parcel Nos. 0730090 00001 and 0730090 00002**

### **EASEMENT RESERVATION**

**The above described property is sold subject to any and all easements of record as well as easements for any and all existing utility, sanitary sewer and drainage facilities located thereon.**

Grantor makes no claim or warranty relative to the environmental condition of the above described property. Conveyance of the above described property is made without warranties of any kind, whatsoever.

IN WITNESS WHEREOF, **Grantor** has caused this instrument to be executed by the affixing thereto of the signature of the Mayor of the County of Shelby, the said Mayor being authorized so to do pursuant to Section 4.03-18 of Chapter 260 of the Private Acts of 1974 in accordance with the approval of the Shelby County Board of Commissioners, on the \_\_\_\_ day of \_\_\_\_\_, 2008, in Resolution # \_\_\_\_\_.

**Grantor: COUNTY OF SHELBY**

By: \_\_\_\_\_  
A C Wharton, Jr., County Mayor

**Approved as to Form:**

By: \_\_\_\_\_  
Assistant County Attorney/  
Contract Administrator

**Other County Approvals:**

By: \_\_\_\_\_  
County Real Estate Manager

By: \_\_\_\_\_  
Land Bank Administrator

**STATE OF TENNESSEE  
COUNTY OF SHELBY**

Before me, the undersigned, a Notary Public within and for said State and County, duly commissioned and qualified, personally appeared **A C WHARTON, JR., Mayor of the County of Shelby**, with whom I am personally acquainted, and who upon oath acknowledged himself to be the **Mayor of the County of Shelby**, the within named bargainor, one of the counties of the State of Tennessee, and that he as such **Mayor** of said county, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of Shelby County by himself as such **Mayor** of said County of Shelby.

WITNESS my hand and Notarial Seal, at office in Memphis, in the County aforesaid, this \_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
**Notary Public**

**MY COMMISSION EXPIRES:**

**(FOR RECORDING DATA ONLY)**

Property Address:  
**3420 Old Getwell Road**

Part of Tax Parcel Nos.:  
**0730090 00001 and 0730090 00002**

Mail Tax Bills to: (Person or Agency  
responsible for payment of taxes)  
**CORRECTIONS CORPORATION OF AMERICA  
10 BURTON HILLS BOULEVARD  
NASHVILLE, TN 37215**

Owners Name and Address:  
**CORRECTIONS CORPORATION OF AMERICA  
10 BURTON HILLS BOULEVARD  
NASHVILLE, TN 37215**

This instrument prepared by:  
**Shelby County Government  
584 Adams Ave.  
Memphis, TN 38103  
Phone No. (901) 545-4440**

I or we hereby swear or affirm  
that to best of affiant's knowledge,  
information, and belief, the  
consideration for this transfer is  
\$150,000.00.

\_\_\_\_\_  
**AFFIANT**

Subscribed and sworn to me before me this  
the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,

\_\_\_\_\_  
**NOTARY PUBLIC**

**My Commission Expires:**  
\_\_\_\_\_

**EXHIBIT "A"**



Oakville  
3/14/85

LEASE AGREEMENT

Between

The County of Shelby, Tennessee

for

The Juvenile Court of Memphis and Shelby County

and

Corrections Corporation of America

THIS LEASE AGREEMENT is entered into on this the 15  
day of April, 1985, by and between the COUNTY OF  
SHELBY, a political subdivision of the State of Tennessee, for  
the Juvenile Court of Memphis and Shelby County, hereinafter  
referred to as Lessor, and the Corrections Corporation of America,  
hereinafter referred to as Lessee.

W I T N E S S E T H:

Whereas, the Lessor is the owner and has management and  
control of approximately 10.7 acres of property, referred to  
herein as the Oakville Sanatorium property, Parcel No. 3, in  
Shelby County, Tennessee; and

WHEREAS, the Lessee is desirous of leasing said property  
which is further described below, from the Lessor.

NOW, THEREFORE, in consideration of the premises, mutual  
advantages accruing each to the other and for other good and  
valuable consideration, the adequacy and receipt of which the  
parties hereto acknowledge from the other, the parties agree as  
follows:

1. The term of the lease shall be for a period of thirty (30) years.

2. The rental of the Oakville Sanatorium property shall be One Dollar (\$1.00) per year.

3. The Lessor does hereby grant, demise and lease unto the Lessee the following described premises and property situated in the City of Memphis, County of Shelby, State of Tennessee, to wit:

Parcel III, part of the lands of Shelby County, Tennessee known as the Oakville Sanatorium property, consisting of 10.7113 acres and located between Old Getwell Road and New Getwell Road.

Beginning at a point at the south line of the Burlington Northern Railroad 100 foot R.O.W. and at the easterly line of Old Getwell Road; thence S 49° 58'53"E 593.75 feet to a point; thence S 5° 45'34"W 389.55 feet to a point; thence S 86° 32'19"W 802.01 feet to a point; thence N 2° 38'49"W 112.27 feet to a point; thence N 16° 52'50"E 371.61 feet to a point; thence N 38° 51'44"E 202.86 feet to a point; thence along the arc of a curve to the right with a delta angle of 132° 50'37", a radius of 50.00 feet, a cord of 91.65 feet, a tangent of 114.56 feet, an arc distance of 115.93 feet to a point; thence N 38° 51'44"E 155.08 feet to a point; said point being the point of beginning of the herein described property.

4. The Lessee agrees to construct a facility designed for the care and treatment of approximately 150 juvenile delin-

quents who will be placed in the facility by the Lessee. The facility will be valued at a construction cost of approximately \$6,500,000.00.

Such improvements constructed by the Lessee on the leased premises shall be built pursuant to a Building Agreement to be mutually agreed upon and shall be built in a good and workman like manner and shall comply with the building code and ordinances of the City of Memphis and County of Shelby. The Lessee covenants and agrees to pay all of the work, labor and material and all other expenses in any manner incurred in the preparation of the site, removal of structures on said property, and in the erection and construction of the improvements, and further agrees to keep, preserve, save and hold harmless the Lessor and the premises against all liens and lien claims of every kind or character which may arise or grow out of said work and construction.

The Lessee covenants and agrees, and it is an integral part of the consideration moving the Lessor to make this lease, that only the Lessee shall be liable for the costs of construction, repair, improvements and maintenance of any facilities or structures which may hereafter be erected on the leased premises and that neither the Lessor nor the Lessor's interest in the leased premises shall in any event be bound or

become liable by lien or otherwise for such costs. It is also understood no provisions of this Lease shall be so construed as to constitute the Lessee as the agent of, or as authorized to act for the Lessor, in erecting or repairing any improvements hereafter placed on the leased premises, and any person doing work upon or furnished materials to or for such work shall look only to the Lessee and the Lessee's interest in the leased premises for payment thereof.

The Lessee agrees to insure that appropriate bonds, in amounts approved by the Lessor, are issued on behalf of any and all contractors, subcontractors, architects and their workers and suppliers.

5. The Lessee further agrees to pay and discharge, from time to time, and throughout the entire term of this Lease, all lawful Federal, State, County and City taxes and assessments which may be placed on the facility constructed by the Lessee. The Lessee agrees to be fully responsible for all lawful rates, charges, levies and assessments, general or special, which may be imposed upon said real estate or the improvements thereon, by any governmental division, subdivision or authority. Escrow accounts shall be established by Lessee for the purposes of paying all taxes on this property.

In the event the Lessee shall not pay any taxes, rates or charges or assessments, whether general or special,



lawfully levied on said premises or improvements as above provided and shall not contest same as above set out, the Lessor may satisfy the assessment, and the Lessee will, upon demand, repay to Lessor any amounts so satisfied. Lessor shall have a lien upon the facilities in an amount equal to these payments.

6. Upon completion of the new construction, the Lessee shall be prepared at all times to deliver appropriate residential and programmatic services for as many as 150 adjudicated delinquent juveniles. The Lessor shall have first priority for at least 150 of these juveniles. The Lessee shall have the right to take juveniles from other jurisdictions within or without the State of Tennessee to fill any available slots not utilized by Shelby County juveniles in order to obtain the 150 person capacity.

7. At the conclusion of this thirty (30) year Lease Agreement, the above-described facility and any and all structures, improvements and buildings will become the sole property of the County of Shelby, such will occur either at the end of the lease term or any subsequent renewal time at no cost to the Lessor.

8. The Lessee agrees to provide preventive and corrective maintenance programs in order to maintain an environment that is clean and in good repair. The Lessor shall not during

the term of this lease be obligated to make any repairs whatsoever to the leased premises. Additionally, when the facility and any and all other improvements are turned over to the County of Shelby, as provided for in paragraph 7 hereinabove, it shall be in a well maintained and sound condition, with all equipment such as air conditioning, heating, elevators, electrical and water works in sound, working condition, ordinary wear and tear excepted.

9. Any and all building and construction on the property, including improvements to roadways and the grounds, must be approved in writing by the County Commission or its designee before said improvements are made.

10. The Lessee agrees that the property and buildings shall be utilized as a residential care and treatment facility for juvenile delinquents and for no other purpose. Shall the Lessee utilize the property for anything other than this purpose, then Lessee shall be deemed in default at Lessor's option and the termination provisions of paragraph 12 set forth herein shall become effective.

Lessee covenants that the premises shall be used only and exclusively for lawful purposes, as set forth in this Lease, and Lessee shall save and hold Lessor harmless from any loss, cost or liability arising out of Lessee's use of the premises in violation of any law, ordinance or regulation.

Lessee covenants that no activity will occur which is unlawful or a nuisance or for any other reason which shall be deemed hazardous by Lessor.

11. The Lessee agrees that all financing and funding of any facilities and improvements attached to the property will be in accord with this lease and will not result in any encumbrance being placed upon the land by the Lessee.

Lessee may encumber the improvements for the purpose of obtaining financing for its construction, provided however any such encumbrance shall be subordinate to the payment to the County for the land value as set forth in paragraph 12 herein if this Contract should terminate or the aforementioned encumbrance is in default and foreclosure and/or any similar execution takes place.

12. Should this Agreement or the Management Contract be terminated for any reason within thirty (30) years of its execution, the Lessee shall take full and complete possession of all improvements and facilities herein added to the property. Provided, however, the Lessee will be obligated to purchase the aforementioned 10.7 acres under the following terms and provisions;

1. If the lease is terminated by the County without cause, then the Lessee may purchase the property for One Hundred Fifty Thousand Dollars (\$150,000.00).

2. If the State fails to fund the contract, then the Lessee may purchase the property for One Hundred Fifty Thousand Dollars (\$150,000.00).

3. If the Lessee breeches the contract, then the Lessee may purchase the property for its fair market value, as agreed to by the Lessor and the Lessee. Lessor shall convey said property in fee simple to Lessee.

4. If the lease is terminated by the Lessee, without cause, the Lessee shall purchase the property for its fair market value, as agreed to by Lessee and Lessor.

5. Should the Lessor breach the contract, then the Lessee may purchase the property for One Hundred Fifty Thousand Dollars (\$150,000.00).

13. The Lessee shall not sell, transfer or assign this lease or any interest of Lessee hereunder or sublease the whole or part of the leased premises to any person, corporation or entity without the prior written consent of the Lessor. The transfer or assignment of this lease or any interest hereunder or subleasing without the written consent of the Lessor shall terminate the lease at the option of the Lessor. In the event of permitted assignment or subletting, Lessee acknowledges that it shall remain fully responsible for compliance with all terms of the lease.

14. The Lessor reserves the right to enter, by their duly appointed agents, at a reasonable time, with prior notice for the purpose of inspection of the premises covered by this lease agreement.

15. Upon termination of the Lease by expiration of the thirty year term, Lessee shall deliver to the Lessor the pre-



mises in good order and condition, ordinary wear and tear excepted, with all buildings and improvements in a good and habitable condition.

16. Lessee shall maintain a high degree of cleanliness and neatness in and around the building and on all adjacent grounds, including all adjacent parking lots occupied by the Lessee. If such cleanliness is not maintained to Lessor's satisfaction, Lessor may, upon advance written notice to the person in charge of Lessee's premises, have the area cleaned and charge to Lessee the cost of such service. Failure to pay such costs would be grounds for termination of said lease.

17. The Lessee will provide property insurance for all risks of direct physical loss or damage, including but not limited to earthquakes, to cover all improvements located on the property. The insurance will be for full replacement costs of such improvements and will cover the contents of the building, and the Lessee will be responsible for any and all deductibles which must be covered by such insurance.

18. The Lessee, being an independent contractor, agrees to carry comprehensive general liability of \$10,000,000, combined single limit. The Lessee shall also provide a general comprehensive automobile liability coverage for personal injury and property damage at \$5,000,000 each accident, combined single limit. The Lessor shall be an additional named insured and such policies will not be canceled without thirty (30) days written notice to the Lessor. Failure by Lessee to obtain and

maintain said insurance shall be a condition of default of this lease.

19. Lessee hereby expressly agrees that it does forever release and relieve Lessor of any and all liability and responsibility for damage of any nature whatsoever, without limitation, to the property of Lessee or to the contents of any and all structures which are built on the leased premises. Provided, however, this release is limited to any cause or causes of action arising during the period of this lease, and which cause of action must be brought within the applicable statute of limitations.

20. This Lease Agreement shall be considered in conjunction with the attached Management Contract and Proposal (Exhibit I to the Management Contract) and the aforementioned Building Agreement.

21. The termination of this lease is coterminous with the Management Contract and the State Funding Contract, a copy of which is attached thereto.

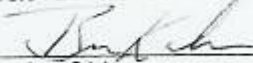
IN WITNESS WHEREOF, the parties have duly executed this lease agreement the day and year first above written.

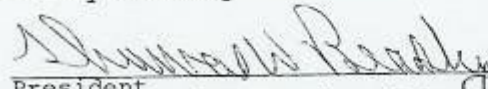
COUNTY OF SHELBY

By: 

County Mayor

APPROVED AS TO FORM:

  
County Attorney

  
President  
Corrections Corporation of America

STATE OF TENNESSEE  
COUNTY OF DAVIDSON

Before me, Gause S. Papuchis Notary Public  
within and for said State and County, at Nashville, Tennessee, duly  
commissioned and qualified, personally appeared Thomas W. Beasley  
President of Corrections Corporation of America, with who I am personally  
acquainted and who upon oath acknowledged himself to be President of  
Corrections Corporation of America, Inc., being authorized so to do,  
executed the foregoing instrument for the purposes herein contained by  
signing the said lease.

WITNESS my hand and seal of office at Nashville, Tennessee,  
this the 15<sup>th</sup> day of April, 1985.

Gause S. Papuchis  
NOTARY PUBLIC

MY COMMISSION EXPIRES:

My Commission Expires April 17, 1988

STATE OF TENNESSEE:

COUNTY OF SHELBY:

On this 23 day of April, 1985, before me personally appeared William N. Morris, Jr., Mayor of Shelby County, Tennessee, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

Janis L. Bell  
NOTARY PUBLIC

My Commission Expires:  
MY COMMISSION EXPIRES SEPT. 29, 1985

**EXHIBIT "B"**

3/14/85

CONTRACT


Between

The County of Shelby, Tennessee

for

The Juvenile Court of Memphis and Shelby County

and

  
Corrections Corporation of America

This contract is entered into between the County of Shelby, Tennessee, for the Juvenile Court of Memphis and Shelby County, hereinafter referred to as the County, and Corrections Corporation of America, hereinafter referred to as the Contractor.

WITNESSETH: In consideration of the mutual agreements contained herein, and Exhibit I (Proposal) and Exhibit II (Lease Agreement), the parties have agreed and do hereby enter into this contract.

A. The Contractor agrees to the following:

1. To provide residential services for post-adjudicatory care and treatment of delinquent juveniles, which shall at all times meet such standards as may be provided by law. Said standards must meet or exceed those required for accreditation by the American Corrections



Association a copy of said standards is attached hereto and specifically incorporated herein by reference as Exhibit III. Contractor shall employ all personnel and be responsible for full facility administration.

2. The Contractor shall be directly responsible to the Director of the Youth Services Bureau of the Memphis and Shelby County Juvenile Court, or any successor thereto.
3. The Contractor shall be prepared at all times to deliver appropriate residential and programmatic services for delinquent children in order to meet the standards as set forth in paragraph 1 herein.
4. The Contractor shall certify to the County and submit an invoice for payment on or about the fifth day of each month the total amount of per diem allowances that are due to be paid to the Contractor for the preceeding month, specifying the name, days and dates that an allowance is claimed for each child.

B. The County agrees to the following:

1. The County shall pay the contractor a per diem allowance in an amount equal to that received by the State of Tennessee pursuant to a funding contract between the County and

the State. The County shall not be liable for any expense incurred by the Contractor in excess of the agreed upon per diem allowance as set forth in the State Funding Contract. In the event the State of Tennessee Contract providing funding for this program is terminated, the County's liability shall not exceed the amount of funds received under said contract with the State of Tennessee, i.e., this agreement shall be coterminous with the State Funding Contract (Exhibit IV), and/or the lease (Exhibit II), with no penalty to the County, provided however the County shall sell the property to the Contractor as provided in paragraph 12 of the Lease between the parties. Said allowance shall commence on the first day the child is received but shall not include the last day the child is in residence. The County shall promptly remit to the Contractor the amount of allowance payments that is properly certified and due to be paid provided, however, a reasonable administration fee shall be deducted from this allowance. This fee shall be a maximum

of two percent (2%) of the aforementioned payments, provided however said fees shall be for the reimbursement of costs to the County as determined by the Juvenile Court Judge and adjusted on an annual basis.

2. The County acknowledges that the Contractor is not responsible for medical care provided away from its facilities.

C. The parties further agree to the following:

1. No person on the ground of handicap, race, color, religion, sex, age or national origin will be excluded from participation in, or be denied the benefits of, or otherwise subjected to discrimination in the performance of this contract, or in the employment practices of the Contractor. The Contractor shall upon request show proof of such nondiscrimination, and shall post in conspicuous places, available to all employees and applicants, notice of such non-discrimination.
2. This Contract shall not be binding upon the parties until it is approved and executed by both parties.



3. The Contractor, being an independent Contractor and not an employee of the County, agrees to provide insurance coverage, as set forth in the Lease Agreement (Exhibit II). The Contractor agrees to hold the County harmless from any claims, lawsuits, or complaints for alleged wrongs or injuries of any children under the care of the Contractor which are caused by the Contractor. The Contractor shall provide adequate assurance to the County that it can protect the County under this hold harmless clause in the form of insurance or a bond as specified by the County.
4. This Contract may be terminated by either party giving six (6) months written notice to the other in advance of the proposed termination date. This termination period does not apply if the contract coterminates with the State Funding Contract. Should the contract be terminated due to the provisions contained in this paragraph, it shall be subject to the

provisions of paragraph twelve (12) of the lease dealing with ownership, financing and disposition of property.

5. If either party fails to fulfill in a timely and proper manner their obligations under this Contract, or Lease, or if either party shall violate any terms of this contract, or lease, the other party shall have the right to immediately terminate this contract upon sixty (60) days' written notice. Either party shall have thirty (30) days to cure any violation set forth in the aforementioned termination letter and the sixty (60) days shall not begin until the thirty (30) day cure time has expired. Any termination pursuant to this paragraph shall be governed by paragraph 12 of the Lease. These provisions and dates are not applicable if the Contract coterminates with the State Funding Contract.
6. This Contract may be modified only by written amendment executed by all parties.
7. The Contractor shall maintain documentation for all charges against the County under this

contract. Such documentation shall be maintained for a period of three (3) full years from the date of final payment, and shall be subject to audit, at any reasonable time and upon reasonable notice, by the County, or their duly appointed representatives.

8. The County shall provide such real property for the use of the Contractor as is described in Lease Agreement between the parties (Exhibit II).
9. The terms and conditions of the Proposal, (Exhibit I), accompanying this agreement shall be hereby incorporated by reference into this contract and shall by reference govern the further duties, obligations and agreements of the parties. Any real or apparent contradictions between this contract and any other attached or related documents, lease agreements or proposals, shall be resolved by a court of competent jurisdiction.
10. This contract is subject to the annual appropriation of funds by the Shelby County Gov-

ernment and the State of Tennessee. In the event funds are not appropriated for this contract, this contract will be deemed terminated.

IN WITNESS WHEREOF, on this 15 day of April, 1985, this Contract has been executed by:

COUNTY OF SHELBY

By: [Signature] 4-23-85  
County Mayor Date

APPROVED AS TO FORM:

By: [Signature] 4/18/85  
Assistant County Attorney Date

CORRECTIONS CORPORATION OF AMERICA

By: [Signature] 4-15-85  
Date

JUVENILE COURT OF MEMPHIS AND SHELBY COUNTY

By: [Signature] 4-18-85  
Judge Date

CORRECTIONS CORPORATION OF AMERICA

By: [Signature] 4-15-85  
President Date

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Before me, James S. Papuchis a Notary Public  
within and for said State and County, at Nashville, Tennessee, duly  
commissioned and qualified, personally appeared Thomas W. Beasley  
President of Corrections Corporation of America, with who I am personally  
acquainted and who upon oath acknowledged himself to be President of  
Corrections Corporation of America, Inc., being authorized so to do,  
executed the foregoing instrument for the purposes herein contained by  
signing the said lease.

WITNESS my hand and seal of office at Nashville, Tennessee,  
this the 15<sup>th</sup> day of April, 1985.

James S. Papuchis  
NOTARY PUBLIC

MY COMMISSION EXPIRES:

My Commission Expires April 17, 1988

STATE OF TENNESSEE:

COUNTY OF SHELBY :

On this 23 day of April,  
1985, before me personally appeared William N. Morris, Jr.,  
Mayor of Shelby County, Tennessee, to me known to be the  
person described in and who executed the foregoing instrument,  
and acknowledged that he executed the same as his free act  
and deed.

James L. Bell  
NOTARY PUBLIC

My Commission Expires:

MY COMMISSION EXPIRES SEPT. 24, 1988



GWEN  
JUDGE TURNER

Item # 14

Prepared by: Brian L. Kuhn

Commissioner TURNER

RESOLUTION APPROVING THE LEASING OF 10.7  
ACRES OF LAND TO CORRECTION CORPORATION OF  
AMERICA TO BUILD AND MANAGE A JUVENILE  
DETENTION FACILITY

WHEREAS, the County of Shelby is the owner and has management and control of approximately 10.7 acres of property, referred to as the Oakville Sanatorium property Parcel No. 3, a legal description of which is attached hereto and especially incorporated herein by reference; and

WHEREAS, the County is desirous of adopting a localization concept toward the incarceration of Shelby County Juveniles committed by the Memphis and Shelby County Juvenile Court; and

WHEREAS, the Correction Corporation of America has submitted a proposal wherein they would construct and manage a juvenile detention facility on the abovementioned property, a copy of said proposal is attached hereto and specifically incorporated herein by reference; and

WHEREAS, this construction will be at a value of approximately 6.5 million dollars, and when completed will provide approximately 100 new jobs for the Shelby County area; and

WHEREAS, the Shelby County Administration supports this project and recommends the execution of the Contract and Lease Agreements, copies of which are attached hereto and specifically incorporated herein by reference, provided an acceptable contract with the State of Tennessee to fund the operation of this facility can be negotiated and approved by the Commission.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the concept of building a local juvenile detention facility on the above-mentioned property as outlined in the aforementioned proposal as recommended by the Shelby County Administration be and the same is hereby approved and adopted.


BE IT FURTHER RESOLVED, That the Shelby County Mayor is authorized to execute the necessary contractual documents, included but not limited to a contract for CCA to construct and manage this facility and lease for the property, copies of which are attached hereto and specifically incorporated herein by reference.

BE IT FURTHER RESOLVED, That the adoption of this Resolution shall not in any way bind the Shelby County Commission if an acceptable funding contract with the State of Tennessee is not negotiated by the County Administration and approved by this body as a condition precedent to the validity of the contract and lease authorized herein.

  
William N. Morris, Jr.  
County Mayor

Date 3-1-85

ATTEST:

  
Dorothy G. Beaulieu  
Clerk of County Commission

ADOPTED February 25, 1985  
AS AMENDED



14  
Legal description

Parcel III, part of the lands of Shelby County, Tennessee known as the Oakville Sanatorium property, consisting of 10.7113 acres and located between Old Getwell Road and New Getwell Road.

Beginning at a point at the south line of the Burlington Northern Railroad 100 foot R.O.W. and at the easterly line of Old Getwell Road; thence S 49° 58'53"E 593.75 feet to a point; thence S 5° 45'34"W 389.55 feet to a point; thence S 86° 32'19"W 802.01 feet to a point; thence N 2° 38'49"W 112.27 feet to a point; thence N 16° 52'50"E 371.61 feet to a point; thence N 38° 51'44"E 202.86 feet to a point; thence along the arc of a curve to the right with a delta angle of 132° 50'37", a radius of 50.00 feet, a cord of 91.65 feet, a tangent of 114.56 feet, an arc distance of 115.93 feet to a point; thence N 38° 51'44"E 155.08 feet to a point; said point being the point of beginning of the herein described property.



EXHIBIT "C"

Item # 7

Prepared by: Roger D. Allison

Commissioner Turner

Approved by:                       
County Attorney

RESOLUTION AMENDING RESOLUTION PREVIOUSLY  
ADOPTED AS ITEM 14 ON FEBRUARY 25, 1985  
APPROVING A CONTRACT AND LEASE AGREEMENT  
WITH THE CORRECTIONS CORPORATION OF AMERICA  
TO BUILD AND MANAGE A JUVENILE DETENTION FACILITY,  
SAID AMENDMENT TO AMEND THE LEASE AGREEMENT.

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WHEREAS, The Board of County Commissioners of Shelby County Tennessee, by Resolution duly adopted as Item 14 on February 25, 1985, approved the leasing of 10.7 acres of land to the Corrections Corporation of America to build and manage a juvenile detention facility; and

WHEREAS, Said Resolution also approved the copies of the contract for construction and lease agreement of the facilities; and

WHEREAS, The lease agreement was amended by the County Commission pursuant to Commissioner Bailey's amendment; and

WHEREAS, After insertion of the language approved as the Bailey Amendment, a review by the parties felt that additional language was necessary to carry out the intent and purpose of the Bailey Amendment; and

WHEREAS, An additional amendment has been recommended by CCA to add a provision to paragraph 19 of the contract to ensure that CCA will only be responsible for claims or causes of action arising during the period of the lease agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That Resolution No. 14, adopted on February 25, 1985, is hereby amended as follows:

Paragraph 12 of the Lease Agreement is amended by adding the following sub-paragraphs:


Paragraph No. 4 - "If the lease is terminated by the Lessee, without cause, the Lessee shall purchase the property for its fair market value, as agreed to by Lessee and Lessor."

Paragraph No. 5 - "Should the Lessor breach the contract, then the Lessee may purchase the property for \$150,000.00."

Paragraph No. 19 of the Lease Agreement is hereby amended by adding the following sentence at the end thereof.


"Provided, however, this release is limited to any cause or causes of action arising during the period of this lease agreement, which cause of action must be brought within the applicable statute of limitations."

BE IT FURTHER RESOLVED, That all other terms and conditions of the agreement approved by Resolution No. 14 adopted February 25, 1985, shall remain in full force and effect.

  
\_\_\_\_\_  
William M. Harris, Jr.  
County Mayor

Date 2 April 1985

ATTEST:

  
\_\_\_\_\_  
Waverly C. Beard  
Clerk of County Commission

ADOPTED April 1, 1985

EXHIBIT "C"





Damon T. Hininger  
Senior Vice President  
Federal & Local Customer Relations

July 9, 2008

Larry K. Scroggs  
Chief Administrative Officer  
and Chief Counsel  
Juvenile Court of Memphis and Shelby County  
616 Adams Avenue  
Memphis, Tennessee 38105

Re: Shelby Training Center- Purchase of 10.7 acres

Dear Mr. Scroggs:

This letter is to advise of Corrections Corporation of America's ("CCA") intent to purchase the 10.7 acre tract of land ("Land") upon which the Shelby Training Center is located. Pursuant to Section 12 of the Lease Agreement dated April 15, 1985 between the County of Shelby, Tennessee for the Juvenile Court of Memphis and Shelby County ("County") and CCA, CCA may purchase the Land if the Lease terminates prior to expiration of the thirty (30) year term. If the Lease is terminated by the County or if the State of Tennessee fails to fund the Management Contract between CCA and the County, CCA may purchase the Land for \$150,000. As you know, the County has informed CCA that the State's funding of the Management Contract will end July 31, 2008 resulting in the corresponding termination of the Lease. Accordingly, CCA provides notice of its intent to purchase the Land for \$150,000 in accordance with the Lease terms.

Please advise of the next steps we need to take to complete CCA's purchase of the Land from the County. Thanks in advance for your assistance.

Sincerely,

Damon Hininger  
Senior Vice President  
Federal and Local Customer Relations

cc: Dini Malone, Director of Administrative Services, Juvenile Court of Memphis and Shelby County